

23. We further recommend that there should in future be provision for arbitration in disputes in all the markets. The Union told us during our Inquiry that it saw difficulty at the present time in incorporating such provision in agreements with the Tenants' Associations of the markets involved in the dispute. We hope that, in the framework of the new negotiating arrangements we suggest—which the Union indicated it would welcome and which we see as paving the way for more orderly negotiations and improved relations of benefit to both parties—it will now feel able to consider this question afresh. We regard it as an important feature of the new framework, and we are encouraged to think it would be feasible by the fact that an arbitration clause has stood in the Covent Garden agreement for the last seven years.

PART II

THE EFFECT OF THE IMPLEMENTATION OF THE UNION'S CLAIM ON THOSE CONCERNED

(i) The Growers

24. The Union in their opening statement told us that most of the home grown fruit and vegetables passing through the markets was not highly perishable and that such arguments as growers might advance for Saturday opening which were based on the perishability of the produce concerned could apply only to salads and soft fruits. The latter were confined to a very short period of the year, and the quantities of them handled by the markets had been diminishing. Even in the case of these commodities, moreover, much that was sold in the markets on Saturdays had been available there for sale on Friday or could be made so available. What could not be made available for sale on Fridays could be held back and harvested for the following week's markets, or picked on Friday and stored until Monday: the capacity to vary the timing of marketing in this way was in the Union's contention demonstrated by the fact that growers now sent the heaviest quantities to market on days when demand was expected to be strongest. The closing of the markets on Saturday would, therefore, in the Union's view, call only for some little reorganisation of harvesting and marketing on the part of growers, and that only in regard to the limited range of highly perishable commodities. It might also be necessary for the markets' storage facilities to be expanded, and it was partly in order to allow time for this that the Union had agreed that Covent Garden should remain open on Saturdays during the summers of 1964 and 1965.

25. The National Farmers' Union, (hereinafter referred to as the N.F.U.), who told us that they represented growers of all kinds of horticultural produce throughout England and Wales, took a different view of the probable effect of Saturday closing on growers. They emphasized three factors which in their view determined the nature and scale of that effect. First, there was the fact that growing crops were in peak condition for harvesting for only a limited period, the onset and duration of which were largely determined by the weather. Produce could in some cases be harvested before reaching peak condition but it could seldom be marketed remuneratively if harvested after deterioration had set in.

26. Secondly, there was the high degree of perishability after harvesting of much of the produce they marketed. They defined highly perishable produce

as including a range of salad crops—lettuces, tomatoes, radishes, spring onions and watercress; soft fruits, such as strawberries, raspberries and currants; certain vegetables, such as early potatoes, cauliflowers, spring cabbages and peas; mushrooms; and flowers. Perishability in produce such as this was a process of gradual deterioration throughout which the produce progressively lost freshness, food value and monetary value. As part of their written evidence the N.F.U. submitted a paper by Dr. R. G. Tomkins, of the Food Investigation Division of the Department of Scientific and Industrial Research, describing the changes which occur in perishable produce after harvesting, and relating the speed of these changes to the temperature of the produce.

27. A third factor was the pattern of demand, which, so far as highly perishable produce was concerned, was strong at the week-end. Demand was weak on Mondays, so that even if it were possible to get labour to harvest larger quantities on Sundays for marketing on Mondays, this would not make up for the loss of Saturday's market. In the N.F.U.'s view, growers who remained dependent on the markets for the marketing of their produce would attempt to employ larger marketing gangs so as to harvest in four days (Monday to Thursday) as nearly as possible what they now harvested in five.

28. In the light of these factors the N.F.U. contended that the closing of the markets on Saturdays would have the following effects for growers. Those who remain dependent on the markets would in some cases be unable to market produce which they marketed now: either because they could not get sufficient labour to harvest in four days all that they grew; or because during the interval between Thursday and Sunday growing crops deteriorated so far as to be unmarketable. The produce which they marketed might realise less, because produce harvested on Thursday would be less acceptable to the consumer on Saturday than produce harvested, as now, on Friday. It might cost them more to harvest, especially if more labour had to be employed on Sundays. In order to mitigate these injurious effects, some growers might seek other outlets for produce harvested on Fridays: either markets in other parts of the country; or, more probably, direct sale to larger retailers such as supermarkets and chain stores; or, possibly, sale to a processor. But these alternatives were practicable only to a limited extent. Even direct sale to the retailer could only be of limited application, for the wholesale market remained the best method of distributing produce to the large numbers of specialist greengrocers' shops which still handled the bulk of the retail trade in horticultural produce. It was, moreover, difficult for the smaller grower to adopt any of these alternatives. In sum, therefore, the N.F.U. argued that growers, and particularly small growers, of highly perishable horticultural produce who now sent that produce to the London markets would suffer materially if those markets were to be closed on Saturdays during that part of the year when highly perishable produce was marketed. The N.F.U. agreed that the case from the grower's standpoint for opening on Saturday in the winter months was not as strong, and that so far as the grower was concerned Saturday opening in winter was not essential.

29. The N.F.U. gave evidence in detail of the effect of Saturday closing on particular crops:—

- (a) *Watercress*. It was argued that the extreme perishability of watercress made it essential for the public to be able to buy it within 24 to 36 hours of its leaving the farm. Watercress harvested on Thursday for

sale in Friday's market would not be fit to eat on Sunday and this, since the week-end was the time when most people ate watercress, must seriously reduce retail sales. Even if it were possible to sell as much in the market on Friday alone as was now sold on Friday and Saturday combined, it would be extremely difficult to harvest it, since growers already had difficulty in harvesting the very high proportion of the crop—over 60 per cent—which had to be gathered on Thursday and Friday for the week-end trade. Figures were produced to show that one very large grower's consignments to the London markets for sale on Saturday amounted to from 20 to 28 per cent of his weekly consignments to those markets, and we were told that this was typical; a distributor told us that Saturday sales amounted to 27 to 28 per cent of his weekly sales of watercress. It was pointed out that the watercress grower could not sell his crop for processing if he failed to sell it for consumption fresh.

- (b) *Soft Fruits.* We were told that strawberries and raspberries, the most perishable soft fruits, could not be held over, after being picked on Friday, for sale on Monday; and that the grower already found it difficult in hot weather, with markets available to him on six days of the week, to harvest and market all his strawberries as they ripened; the availability of labour was here the controlling factor. Demand for soft fruit was strong at the week-end: one strawberry grower told us that he marketed about 24 per cent of his crop on Saturday; another that the relationship of his Saturday marketings of strawberries to marketings for the average of the week's other market days in 1963 was 119 per cent. Small strawberry growers, producing high-quality fruit for the fresh market, grew produce of the wrong kind and in quantities too small to interest the processor, and so would be unable to use this alternative outlet if they were denied a Saturday market.
- (c) *Mushrooms.* The Mushroom Growers' Association (a specialist branch of the N.F.U.) told us that of current annual production, worth about £7 million to growers, £1 million worth was sold through Covent Garden Market alone. It had been found impossible to control production so as to eliminate the need to pick at week-ends, and mushrooms were in fact picked on every day except Saturday. It was preferable to pick mushrooms in the early state of maturity (i.e., as "buttons" and "cups"), as they commanded a higher price in this state than if left a single additional day, when they developed into "flat" mushrooms. "Buttons" and "cups" lasted at most for three to four days after picking, "flats" for only two days. Already the week-end interval of one day caused difficulties, as it led to heavy loadings, including many "flats", for the Monday and Tuesday markets, when demand was weak and prices low. The addition of another day when no mushrooms could be sold through the markets would make it essential for either growers or wholesalers to provide cold storage for one day's picking. This would not, however, be a satisfactory solution of the growers' problem, since mushrooms from cold store fetched lower prices than fresh-picked mushrooms.
- (d) *Vegetables.* We were told that vegetables represented financially the most important interest affected. Vegetable growers argued that it

was essential to harvest throughout at least a Monday to Friday week : we were told that cauliflowers must be cut every other day if many were not to deteriorate from prime condition, particularly in warm weather ; growing peas could begin to deteriorate between Friday and Monday ; growing lettuce were in prime condition for only four days in good weather ; it would be difficult to keep labour for harvesting if it could be employed only from Monday to Thursday. Individual growers gave evidence of their consignments for sale in the markets on Saturdays : a grower of cabbages, lettuces, peas and runner beans sent about two-thirds as much on Saturdays as on an average day in the rest of the week ; another cabbage grower sent 15 per cent of his total marketings on Saturdays ; a grower of salad produce sent about 20 per cent of total marketings on Saturdays ; another grower expressed the relationship of Saturday marketings to marketings for the average of the week's other market days as follows : cauliflowers (April-June 1964), 82 per cent ; early potatoes (1963), 113 per cent ; cabbages and spring greens (February-June 1964), 83 per cent. One grower expressed the fear that housewives might turn increasingly to processed vegetables if fresh vegetables were in limited supply at week-ends.

- (e) *Flowers.* We were told that the demand for flowers was strong at the week-end, and one grower told us that 16.5 per cent of his total consignments of flowers to Spitalfields Market (February-April 1964) was consigned on Saturdays. It was contended that the Transport and General Workers' Union were acting inconsistently in agreeing that Covent Garden flower market should remain open on Saturdays but insisting that the other markets should close.

30. We also received evidence from the British Flower Industry Association, which represents, among other interests, growers of flowers. The Association told us that flower growers regarded it as essential that markets should remain open on Saturdays for the sale of flowers. Flowers sent to Friday's market which remained unsold by Friday mid-day would, they contended, be disposed of at low prices because they could not be held over until Monday. Growers would moreover have to try to market more flowers on Monday ; but additional labour for picking might not be available on Sunday, and the more short-lived varieties of growing flowers could not in any case be maintained in prime condition over a two-day interval.

31. The Covent Garden Tenants' Association, who represent wholesale traders in Covent Garden Market, also gave evidence of the effect on growers of closing the markets on Saturdays. In their view the Saturday market was of limited value to the grower, as prices tended to be more unstable than on other days, and low prices on Saturday had a depressing effect on Monday's market. The Association accepted that there would be hardship to growers of salads and soft fruits, but contended that the degree of such hardship could be mitigated by a re-adjustment of picking schedules. Growers were already finding difficulty in procuring transport to market on Saturdays and because of this were turning to modern methods of storage on the farm.

32. The Transport and General Workers' Union commented on the National Farmers' Union's evidence. They re-emphasized that the genuinely highly sensitive crops represented only a small proportion of the markets' turnover, and that for only a limited period of the year. Many of the crops concerned,

particularly peas and soft fruits, were increasingly by-passing the markets by being sold instead to processors. Growers were turning increasingly to other outlets and such small quantities of perishable produce as continued to be sold in the markets on Saturdays did not justify keeping those markets open. Doubt was expressed whether some of the commodities concerned were quite as perishable after harvesting as growers claimed, and whether consignments to market on particular days could be assumed to be wholly sold in the markets on those days.

33. We have weighed carefully the views of the Transport and General Workers' Union but have concluded that the closing of the London markets on Saturdays during the season of highly perishable produce could in present circumstances represent a serious additional financial hazard to growers of such produce who now use those markets. We are satisfied that many such growers, particularly small growers, would find considerable difficulty in continuing to market the whole of their crops; and that those who succeeded in doing so might well find their net earnings reduced, either through lower returns or through higher labour costs. We emphasize, however, that our conclusions relate to present circumstances. We would not wish to predict that new developments, whether in the expansion of direct sales from grower to retailer or processor, or in the provision of more and better storage capacity, will not materially alter the position in some years' time. We do not consider that the Saturday closing of the markets during the winter months, when few highly perishable commodities are on sale, would materially affect the interests of growers of fruit and vegetables. We did not receive sufficient evidence to enable us to reach conclusions as to the effect on the interests of potato growers of the closing on Saturdays of the King's Cross and Somers Town potato markets.

(ii) The Greater London retailers

34. The Transport and General Workers' Union in their opening statement claimed that as much as 95 per cent of the produce now sold in the markets on Saturdays was in the markets available for sale on Friday or earlier and that with a minor degree of reorganisation all could be made so available (see paragraph 24 above). In their contention, retailers deferred buying produce until Saturday only in the hope of getting it then at bargain prices, or so as to add to their Friday purchases, in cases when they had underestimated demand, enough to see them through Saturday's trading. Sales in the markets on Saturdays had in any case declined as a result of an increasing tendency for housewives to shop for the week-end on Friday or very early on Saturday morning. If there were no market on Saturdays retailers would simply buy what they needed on Fridays. It was, however, natural that retailers should oppose the termination of a service which was convenient to them and cost them nothing.

35. The Retail Fruit Trade Federation, who told us that they represented retailers of fresh fruit, vegetables and flowers and that about 5,000 of their members bought their supplies of these commodities in the London markets, expressed strongly opposing views. In their contention Saturday remained a day of heavy selling in the retail shops; and they cited a report prepared for the Horticultural Marketing Council in 1962 in which 58 per cent of a national sample of 1,466 housewives were said to have bought fruit on Saturdays,

compared with 42 per cent on Fridays, the second most popular day. Nearly half the week's trade was in their opinion done on Friday and Saturday. Many shops, particularly in south and east London, also opened on Sundays ; this was additional evidence of the fact that many housewives, with limited storage facilities at home, bought their fruit and vegetables on a day-to-day basis.

36. The Federation went on to define the difficulties with which in their view the Saturday closing of the markets would confront the retailer. First, that of transport : the retailer tried to economise on transport costs, which, because of the bulk and low value of much horticultural produce, were high in relation to the value of the produce carried, by loading his van to capacity ; and this was particularly true of Friday, the day on which retailers bought most in the markets. It might well be impossible for retailers to make one load of all their requirements for Friday and Saturday and if this were so they would be forced to incur extra cost by hiring additional transport.

37. Secondly, some retailers, particularly those who had a large trade in vegetables, had insufficient storage space in their shops to accommodate all that they sold on Friday and Saturday. Many stallholders had no storage space at all, and were entirely dependent on daily purchases in the markets.

38. Thirdly, the Federation could not accept that all the supplies which retailers needed for sales in their shops on Friday and Saturday could invariably be bought in the markets on Friday. Bad weather could affect the quantities harvested on farms on Thursdays for Friday's market, and the arrival of supplies of imported perishable produce could also be erratic. The Saturday market provided a means of compensating for accidents of this kind.

39. Fourthly, consumer demand fluctuated widely under the influence of the weather ; warm weather, for example, stimulating the demand for salad vegetables and fresh fruit, and cold weather encouraging sales of root vegetables. The retailer could not be expected to forecast Saturday's weather early on Friday morning, and if demand outran the supplies he had thought fit to buy his inability to buy more on Saturday would mean that he would lose trade which he would otherwise have had.

40. Fifthly, the Federation doubted whether porters at the markets could on Friday morning load on retailers' vehicles all the supplies needed for Friday and Saturday in time for the retailer to get away from the market and back to his shop for the beginning of the morning's trade. Retailers already found difficulty in getting their vehicles loaded quickly enough on Friday mornings.

41. Finally, the Federation emphasised the problems posed by the perishability, to a greater or lesser degree, of all the produce handled by their members. If all highly perishable home-grown produce sold in retail shops on Saturday and Sunday had to be harvested on Thursday for Friday's market, its condition would discourage retail sales, in some cases to the point of making it altogether unsaleable.

42. It was for these reasons, we were told, that retailers at present made extensive use of the Saturday market and considered that market essential. In illustration of this, one retailer with 13 branches in south-east London, Surrey and Kent told us that over the previous eight weeks his firm's Saturday purchases had represented 16 to 17 per cent of total purchases for the week, and that the comparable figure for the whole year was 15 per cent ; and we were told that for a London multiple fruit retailer with over 70 shops Saturday

purchases in the period 16th May to 20th June had varied between 14.8 per cent and 21.7 per cent of the week's total purchases. Retailers, we were told, would not go to the trouble and expense of attending an early morning market on Saturdays if they did not regard it as essential to their businesses; nor did they regard such a market simply as a likely field for bargains, for bargains were no more likely on a Saturday than on any other day. It was true that some retailers found it possible to obtain their Saturday supplies of home-grown produce direct from growers, and that others had been able to install cold storage capacity so as to hold over their Friday purchases until Saturday; but the majority of retailers had not been able to adopt these expedients.

43. Summing up, the Federation contended that the closing of the markets on Saturdays would increase the costs of their members, and tend to reduce the quantities of fresh produce they sold, the consumer turning instead to processed produce.

44. We also received evidence from the Supermarket Association, who told us that of four of their members who had substantial interests in the London area and whom they had consulted, two already bought their supplies direct from growers or importers. The other two used the markets and considered that these should remain open during the salads and soft fruits season but need not do so during the rest of the year. If the markets were closed on Saturdays throughout the year they would have to buy their Saturday supplies of salads and soft fruits direct from growers, and, in order to ensure continuity of supply, would in consequence have to buy the whole week's supplies of these commodities direct from the same source.

45. The British Flower Industry Association, which represents, among other interests, retailers of flowers, told us that retail florists whose premises did not permit them to install cold storage facilities would find it difficult to keep flowers bought in the markets on Friday in prime condition until the end of Saturday's trading, particularly in warm weather.

46. The Covent Garden Tenants' Association, which represents wholesale traders in Covent Garden Market, also gave evidence on the effect on the retailer of closing the fruit and vegetable markets on Saturday. They conceded that the retailer sold the bulk of his produce on Fridays and Saturdays and that he would incur a greater risk, particularly in respect of highly perishable produce, if he were unable to replenish his stocks on Saturday. But they claimed that most of the produce sold by retailers on Saturday had been bought in the markets before that day, and that the increased risk in regard to highly perishable produce was one which retailers could properly be asked to bear. Retailers were indeed already making less use of Covent Garden's Saturday market than in the past, largely because they were buying direct from the grower to a greater degree; this latter tendency might, however, be more marked in Covent Garden than in other markets, for the average size of the retail businesses buying in Covent Garden was possibly bigger, and larger businesses found it easier to buy direct than did small. One large chain of London fruiterers and greengrocers had not come to market on Saturday since the end of the war. Finally, the Association pointed out that at no stage during its negotiations with the Transport and General Workers' Union had retailers using Covent Garden Market offered to contribute towards any extra cost which might be incurred by wholesale traders in keeping the market open on

Saturday, and this although the charges to buyers in the market had in general remained unchanged since April 1957.

47. The Union commented on some of the points made by the Retail Fruit Trade Federation. They contended that the Federation's evidence was in fact confirmation of their own assertion that the retailer used the Saturday market simply as a convenience: that is, as a warehouse for produce which he would otherwise himself have to store from Friday morning, and as a means of limiting his risk of buying too much or too little on Fridays. As to transport, the large numbers of retailers who came to the Saturday market for salads and soft fruits took away only very small quantities, which would have taken up very little extra room in their vehicles the previous day. The retailer's short-term storage problem could be overcome, given such time for adjustment as would be allowed by the Union's agreement in regard to Covent Garden, and was in any case aggravated by his own tendency to stock frozen, canned and dehydrated vegetables. Finally, the experience of porters in the markets suggested that Friday was a relatively light day and that Friday's and Saturday's purchases together would amount to no more than was now purchased, and satisfactorily handled by the porters, on Thursdays.

48. We have concluded that the Saturday closing of the markets would be inconvenient to many retailers of fruit and vegetables, particularly smaller retailers and stallholders. On others, generally larger retailers, who already deal directly with growers and importers or could easily do so, it would have no adverse effect. The degree of inconvenience to those adversely affected by Saturday closing would moreover vary considerably according to the circumstances of individual traders. It would be least—and generally speaking might not be of serious moment—during the winter months, when little highly perishable produce is on sale. During the summer months we consider that the financial risks incurred by retailers would be materially increased, and that the returns of many retailers might be materially reduced, if they were denied the facility of a Saturday market.

49. We feel that we should comment separately on a suggestion made by the Covent Garden Tenants' Association: namely, that the retailer's need to replenish his stocks for Saturday's trading at a later point in time than Friday morning could be met if the markets remained open on Fridays until, say, 6 p.m. We will not comment on the practicability of this suggestion so far as it concerns the obtaining of supplies from the grower, or of labour, on a regular basis, from market porters. In our view a late Friday market would in any case be of little benefit to, and little used by, the majority of retailers, who would find it difficult to leave their shops during trading hours on Friday for a second visit to the market, and who could not be expected to work regularly on Fridays for the length of time this suggestion necessarily envisages.

(iii) The wholesale traders in the London markets

50. The Transport and General Workers' Union in their opening statement pointed out that porters in the five markets concerned in the dispute derived much the greater part of their earnings from portage charges paid by buyers in respect of all packages bought in the markets. They were therefore in a position to assess the volume of trade done on Saturdays, which had in fact declined to the point where porters' earnings were unacceptably low. It was this which had led them to lodge a claim for a Monday to Friday week. They

attributed the decline in Saturday sales to an increasing tendency for housewives to shop on Friday, or very early on Saturday morning.

51. As already mentioned (see paragraph 34) the Union further argued that as much as 95 per cent of the fruit and vegetables now sold in the markets on Saturdays was in the markets available for sale on Friday or earlier. A minor degree of re-organisation would enable growers to consign as much produce for sale on Monday to Friday as they now consigned for sale on Monday to Saturday (see paragraph 24 above). What was now sold on Saturdays could and would be sold on Fridays if the markets were closed on Saturdays.

52. The Union also pointed out that the Covent Garden Tenants' Association, representing traders in the biggest of the London markets, had agreed to the introduction of a Monday to Friday week, and had published reasons for doing so which made it plain that they felt that their market would lose little trade if all the London markets agreed to close on Saturdays. Covent Garden satisfied some 25 per cent of consumption in Greater London, and in respect of this trade Saturday closing might have been expected to pose precisely the same problem for Covent Garden as for the other markets.

53. It is to be inferred from these views that the Union feel that wholesale traders in the London markets would lose little or no trade as a result of the markets being closed on Saturdays.

54. The associations representing tenants in the five markets directly concerned in the dispute expressed a strongly opposing view. They produced evidence (an account of which is given below in respect of each market) to show that a considerable volume of trade was in fact done in their markets on Saturdays. They denied that 95 per cent of the produce bought in the markets on Saturdays had been available there for sale earlier in the week, and laid stress on the quantities of salads and soft fruits sent to market on Saturdays. They expressed the fear that growers unable to market all their perishable produce in five days, would seek other outlets—provincial markets, or direct sale to processors or large retailers—for the produce that they now sold in the markets on Saturdays, and might well be induced to send all their produce to the same outlets in consequence. It was also suggested that the absence of a Saturday market would lead to reduced quantities of imported highly perishable produce passing through the markets. Retailers might turn increasingly to sales of processed fruit and vegetables at the week-ends in order to avoid the increased risk which would attend heavy purchases in Friday's market. Increased cold storage capacity in the markets was regarded as an impracticable solution of the problem of perishability, both because some commodities did not lend themselves to cold storage and because of the practical problems involved in putting produce into store at the end of Friday's trading and taking it out again early on Monday morning. It was further suggested that the porters would find it impossible to cope in one day with all the volume of produce now handled on two, and that this in itself must lead to smaller quantities passing through the markets. Finally, in answer to the argument that the five markets directly involved in the dispute were analogous to Covent Garden in respect of at least a substantial part of the latter's trade, the tenants of those markets emphasized that their businesses differed widely from those of Covent Garden in that theirs were much more heavily dependent on home-grown produce, much of it highly perishable and most of it destined for prompt

distribution to the London retailers ; whereas many Covent Garden traders dealt largely in imported fruit—oranges, apples, bananas, and so on—which was much less perishable and in many cases bought by provincial wholesalers for subsequent resale. They emphasized that despite the fact that Covent Garden allegedly did little trade on Saturdays the Covent Garden tenants had not been prepared to close on Saturdays unless all other London markets did so too.

55. Apart from these general arguments and other arguments which bore on the effect which closing the markets on Saturdays might be expected to have on growers and retailers and were also advanced by the latter on their own behalf—the Tenants' Associations of the five markets gave us much detailed evidence as to the nature of the trade in their markets and in particular as to the amount of trade done on Saturdays.

(a) *Spitalfields Market.* The Tenants' Association produced evidence of lorry arrivals at Spitalfields Market between 2.30 p.m. one day and 4.30 a.m. the next from 3rd June 1963 to 25th May 1964 (reference in each case is to the former of the two days concerned) : this showed a total of over 9,000 vehicles on Monday, Wednesday and Thursday, over 7,000 on Tuesday, over 5,000 on Friday and nearly 4,000 on Sunday. It was argued that these vehicles were virtually all lorries delivering produce to the market, and that the figure for Friday was evidence of the relative volume of produce delivered for sale in Saturday's market. Percentages only were given to show the relationship between sales on Saturdays and on the average of the week's other five market days : for July 1963 these were stated as 66 per cent (number of packages) and 87 per cent (value of sales) ; for January 1964, 50 per cent and 64 per cent respectively ; for June 1964, 80 per cent and 91 per cent respectively. The amount of portorage earned by employees of one firm during two weeks in October 1963 was stated as £61 and £57 on the two Saturdays as compared with averages of £85 and £83 for all market days in the week.

(b) *Borough Market.* The Tenants' Association told us that the Borough Market had long been an important vegetable market and more recently had increased its trade in home-grown and imported fruit ; and that it served mainly south London and the southern suburbs. They claimed that the amounts paid in portorage by 57 firms in the market showed that Saturday's portorage represented an average of 10 to 12 per cent of the total week's portorage throughout the year. Figures given us by six individual firms in the market showed Saturday takings as the following percentages of takings for the entire week (averaged for the periods stated) : 17.4 per cent (December 1963 to May 1964) ; 16.1 per cent (one year, undefined) ; 16 per cent (year ending in August 1963) ; 14.5 per cent (year ending in June 1964) ; 10.6 per cent (1st April to 20th June 1964) ; and 9.3 per cent (year ending in June 1964). Two firms gave figures for numbers of packages sold on Saturdays and in the week as a whole, the former accounting for the following percentages of the latter : 12 per cent (January to December 1963) ; and 11.2 per cent (year ending in May 1964).

(c) *Brentford Market.* The Tenants' Association told us that the market, which had 104 tenants, served retailers and other buyers in west, north-west and south-west London, and an area extending to the south as far as the coast. It was stated that porters' earnings on Saturday mornings amounted to 18 per cent of their earnings for the week, and that the Saturday turnover of an

unspecified number of merchants amounted to 17 per cent of their weekly turnover. The average number of vehicles delivering produce to the market after selling hours on Friday until opening hours on Saturday mornings during the period from 19th July 1963 to 12th June 1964 was stated to be 106. The average number of retailers using the market on Saturday mornings from 9th March 1963 to 15th February 1964 was stated to be 781, compared with 782 on other days during a similar period.

(d) *Stratford Market.* The Tenants' Association told us that the market and fringe market, which together had 55 wholesale traders, sold mainly to retailers in east London, Essex and North Kent. It was said that the market handled annually about 130,000 tons of produce, that about 78 per cent of this was home grown, and that about 12 per cent of the total was handled on Saturdays. Figures were produced to show that tolls collected at one of the market's gates from mid-day Friday to about 9 a.m. on Saturday (which were said to represent deliveries of produce for sale on Saturday) represented 11.2 per cent of the total for the week (averaged for the period from April 1963 to May 1964). Figures were also produced to show the earnings from portage on Saturdays of employees of 27 firms for (in most cases) an unspecified year: these showed average Saturday portage earnings for individual porters as varying from 19s. 3d. up to £3 5s. 11d., with the majority in the range from £1 10s. to £2 10s. One firm produced figures to show that its employees' portage earnings on Saturdays in 1963 represented 13.5 per cent of their total portage earnings. Five firms produced figures to show that the number of packages they sold on Saturdays exceeded the number they received.

(e) *King's Cross and Somers Town Potato Markets.* We understand that these markets are primarily wholesale depots for potatoes. The Tenants' Association told us that Saturday was an off-loading day, when substantial supplies of potatoes were received into the market and off-loaded on to vehicles ready for despatch on Monday to institutional or large commercial buyers. They argued that if they were prevented from carrying out this work on Saturdays the distribution of potatoes would be disrupted, as potato growers would be unable to load for market on Fridays as they do now.

56. The Covent Garden Tenants' Association also gave evidence, which we have described in paragraphs 31 and 46 above, of the effects of the Saturday closing of the fruit and vegetable market on the various interests concerned, the tenor of which was that little trade would be lost to their market if all the London markets closed on Saturdays. Like the Union, they emphasized that progressively less use was being made of their market on Saturdays (and less use was made of the Saturday market in winter than in summer). Friday and Saturday were indeed the days when trade was most slack. The Association agreed, however, that the pattern of trade in Covent Garden was different from that of the other London markets: just over half Covent Garden's total turnover was with customers, mainly wholesalers, outside Greater London, and it followed from this that the proportion of the week's business done by Covent Garden on Saturday morning might well be less than that of other London markets. Moreover, the retailers served by Covent Garden had included many large retailers who could switch more easily to buying direct from growers and importers than could the smaller retailer. None the less, Covent Garden still did a very large trade with London retailers, and handled large quantities of home grown salads and soft fruits. The Association explained that they had

made their own agreement to Saturday closing conditional on its acceptance also by the other markets because their members and the market porters feared there might be some loss of trade to those markets if Covent Garden alone closed on Saturdays.

57. We also received evidence from five firms in Covent Garden Market which said that they opposed the Saturday closing of the market.

58. The Union commented on the evidence given by the various Tenants' Associations. They contended that if the proportion of the week's trade done on Saturdays was indeed 10 to 12 per cent, this did little to support the case of the Tenants' Associations with whom they were in dispute, since that case rested on the attribution of a degree of importance to the Saturday market which would have suggested a much larger proportion of the week's trade. In any case, however, they regarded many of the figures as suspect: they contended that it was common practice for firms to make up their books by 11 a.m. on Fridays, so that much of Friday's trade would appear in accounts as Saturday's and so inflate figures for Saturday portorage (the Tenants' Associations, however, denied that the Saturday figures were seriously distorted in this way). After hearing all the evidence produced by the Tenants' Associations, they held to their view that 95 per cent of the produce now sold in the markets on Saturdays had been available there for sale earlier in the week. As to the distinction that had been drawn between Covent Garden and the other London markets, they pointed to a report prepared for the Covent Garden Market Authority, which stated that Covent Garden handled a much smaller proportion of total United Kingdom supplies of potatoes, which could not be regarded as highly perishable, than of supplies of fruit and other vegetables: whereas Spitalfields had a large throughput of potatoes, the Borough, Brentford and Stratford a substantial throughput, and King's Cross dealt in virtually nothing else.

59. After considering all the evidence that has been given us on this point, we are satisfied that the Spitalfields, Borough, Brentford and Stratford markets do a substantial volume of trade on Saturdays, probably amounting over the year as a whole to at least 10 per cent of their weekly trade. What we have to try to determine, however, is how much of the trade now done on Saturdays would be lost if the markets were closed on that day. We have already stated that we think that many growers of perishable produce, particularly small growers, would find considerable difficulty in continuing to market the whole of their crops. We also think it likely that some growers, if denied a Saturday market, would find other outlets for at least some of their produce, rather than seek to market in five days what they now market in six. Similarly, we think it likely that some retailers who now use the markets would seek instead to buy at least some of their supplies direct from the grower or importer; and that not all the retailers who continued to depend entirely on the markets for their supplies would buy as much over the week as a whole as they now do with Saturday's market available to them: in some cases, through a reluctance to take the additional financial risk which this would necessarily involve; in others, because lack of the necessary transport or storage facilities made this impracticable. We find it impossible, however, to quantify the loss of trade which these various factors would produce. We can only say that in our view the markets of Spitalfields, the Borough, Brentford and Stratford would lose some trade; that much of the trade now done there on Saturdays would,

however, be done earlier in the week ; and that the loss of trade would be considerably more marked in summer than in winter, when relatively little highly perishable produce is on sale.

60. We have not been able on the basis of the evidence given us to reach a conclusion as to the effect of Saturday closing on the trade of the King's Cross and Somers Town Markets.

61. We are satisfied that the loss of trade in fruit and vegetables to Covent Garden Market as a result of Saturday closing would be substantially less, proportionately, than to the other four markets we have mentioned. The much greater dependence of Covent Garden on trade in imported produce in our view considerably outweighs the fact that its trade in potatoes may be less, in proportion to its total trade, than that of the other markets.

(iv) The Porters

62. Porters are employed at the markets to unload produce from the growers' or hauliers' vehicles delivering it to the market ; move it in and out of the wholesalers' premises as required ; and transfer it to the buyer's vehicle when it has been sold. Incidental differences in the actual work performed occur between the different markets, for instance according to the layout of the market, the degree of mechanisation, and the main types of produce handled, but in essentials the porter's job is the same in all the markets.

63. Porters are employed by individual tenants, and in normal circumstances a porter will work for one tenant only. At Covent Garden there are about 160 tenants in the fruit and vegetable market who employ between them some 1,100 porters, while at the other five markets there are about 400 tenants, who employ between them almost 900 porters. The firms concerned are of varying size. Over 50 per cent employ only one porter each, and while a substantial number employ two or three, very few firms employ more than five porters.

64. We have described the make-up of porters' earnings in paragraph 18 of our report. Porters in all the markets are at present conditioned to a 44-hour five-and-a-half-day week. The actual hours worked are said to be not usually in excess of this, not uncommonly they may be less. Early starting times are a feature of work in the markets and overtime may be worked at the beginning of the working day.

65. The Union throughout the negotiations maintained that their claim for a five-day-week was motivated by a desire to obtain more leisure for the porters, and not the concealed wage increase which would result if they were to continue to work a five-and-a-half-day week, with the last half-day paid at overtime rates. Most of the other parties who gave evidence to us, including representatives of tenants, growers and retailers, stressed that they were not opposed in principle to the introduction of a five-day week for the porters. Indeed, in many instances they explicitly supported it, and we received a number of suggestions as to how five-day working might be operated.

66. We accept the Union's statement of their motive in making the claim. We think it is supported by consideration of the pattern of hours worked in the markets, which we have just described. We also wish to declare ourselves in favour of the objective of a five-day week for the porters. We understand that over 50 per cent of the working population is now conditioned to a five-day week and we would agree that there seems no reason why work in the markets

should not be organised so as to permit them too this measure of increased leisure. We do not, however, comment at this stage on the means by which it should be achieved.

67. The Union said they were seeking to achieve increased leisure for the porters in the form of a Monday to Friday five-day week because porters found that dwindling Saturday trade in the markets was making it increasingly unprofitable for them to work on that day. They supported their contention on these points by reference to trends in the pattern of consumption and by a statement of the attitude of the Covent Garden Tenants' Association contained in a letter from the Relations Officer of the Association published in the "Fruit Trades Journal" of 9th May, 1964.

68. The Union's views on trends in trading and the validity of their comparisons between Covent Garden and the other markets were challenged, but these matters are dealt with, as appropriate, elsewhere in our report. Evidence which we have already considered was also produced as to the level of portage earnings on a Saturday. It is clear from what we have been told by the Union that these may on occasion be extremely low, but nevertheless we cannot ignore the weight of the other evidence put before us which shows that this is by no means the rule at present, at any rate in the markets directly involved in the dispute.

(v) Other trade interests

69. We also received communications or heard evidence from organisations representing fruit importers, buying agents and provincial wholesalers.

70. The Fruit Importers Association, representing importers of fruit and vegetables, wished us to be aware that in their opinion the Saturday closing of the markets would lead to increased wastage of highly perishable imported fruits such as peaches, cherries, apricots and William pears. The Association did not, however, give us formal written or oral evidence and we do not feel we should be justified in reaching any conclusion on the effect of Saturday closing on its members.

71. The London and Provincial Fruit Buyers and Merchants Association, who, we understand, represent primarily agents buying in the London markets on behalf of provincial wholesalers, told us that their members were finding it increasingly difficult to procure transport to take to the provinces produce which they bought in Saturday's market. The closing of Covent Garden Market at 1 p.m. on Fridays since 4th May had, moreover, made it difficult in some cases to get produce away on that day, since many haulage vehicles were not available for loading until noon. The inference we were asked to draw from these views was presumably that it would be more convenient to the Association's members to have the markets open late on Fridays than to retain Saturday's market. We also received a communication from a buying agent operating in Spitalfields Market, who told us that most of the Association's members carried on business in Covent Garden and that buying agents in other markets did much buying on behalf of provincial customers on Saturdays.

72. We also received evidence from the National Federation of Fruit and Potato Trades. We understand that this organisation represents wholesalers of fruit and vegetables throughout the country. Its evidence was mainly in general terms and accorded with the views expressed to us by the Tenants' Associations

directly involved in the dispute. One of its members, however, gave evidence in regard to the effect of the Saturday closing of the London markets on his own business, that of a wholesaler operating a delivery service in and around Ipswich. He told us that Saturday closing would create difficulties for him because it was not until late on Friday that he knew how much produce he needed to get for distribution on Saturday: partly because his lorries did not return from delivering until late on Friday afternoon, so that not until then did he know how much produce he had left; and partly because large orders from institutions such as hospitals were often not received until Friday afternoon.

73. We did not, however, feel that we had sufficient evidence to justify a conclusion on the effect of the Saturday closing of the London markets on either provincial wholesalers in general or their buying agents in the London markets.

(vi) The consumer

74. We received no evidence from accredited representatives of consumers, since the Consumer Council, whom we invited to give evidence, were unfortunately unable to form a view in the limited time available. Some of those who gave evidence, however, expressed views on the effect on the consumer. These views followed from the logic of their several positions as we have described them earlier in this report, the Transport and General Workers' Union arguing that the effects would be negligible, the Retail Fruit Trade Federation that the highly perishable produce in retail shops on Saturdays would be much less fresh, and the Tenants' Associations involved in the dispute that highly perishable produce would be scarcer and dearer on Saturdays.

75. We have concluded that highly perishable fruit and vegetables would probably be less plentiful, and some of them less fresh than at present, in retail shops in the Greater London area on Saturdays if the wholesale markets were closed on that day. We find it difficult, however, to judge how serious or noticeable these effects would be, for this would depend primarily on the extent to which arrangements could be made for delivering highly perishable produce to the shops direct from the farm. We do not think there would be any noticeable effects for the consumer so far as other fruit and vegetables were concerned (though there might be some redistribution of trade as between individual retailers).

PART III

RECOMMENDATIONS FOR THE IMPLEMENTATION OF A FIVE-DAY WEEK

76. Our terms of reference do not require us to make specific recommendations in regard to the negotiation of a settlement of the dispute. Nonetheless we think it right to do so in the hope that such recommendations, coming from an independent source, may help break the deadlock and encourage the parties to the dispute to reach a settlement which takes into account the legitimate interests of all who may be affected by it.

77. We have said that we are in favour of the objective of a five-day week for the porters. We have also made it clear that in our view the closing of all

the London markets on Saturdays during the season of highly perishable produce would have adverse effects, in greater or lesser degree, on the interests of at least a proportion of growers, retailers, wholesale traders and consumers ; and we therefore think it important that any settlement of this dispute should be such as to allow growers, retailers and consumers to continue to benefit from the facility of a Saturday market during the season of highly perishable produce so long as there remains a genuine and strong demand for such a facility.

78. We have accordingly had to consider whether these two objectives can be reconciled. At the same time we think it highly desirable that any solution we suggest should permit the maximum flexibility in meeting the varying demands of a complex trade, and the maximum freedom on the part of individual markets to serve the grower and the retailer in the way which suits them best. Evidence from representatives of two of the markets in dispute, for example, suggested that in those markets, unlike Covent Garden, less trade might be done on Mondays than on Saturdays ; clearly if those markets were to close for an additional day for part of the year it might well be preferable for them to do so on Monday rather than on Saturday.

79. It is in order to meet these various conditions of a satisfactory settlement that we suggest the parties attempt to negotiate a solution on the following lines : The Tenants' Association of each market—negotiating in concert, as we have suggested above (paragraph 22)—should seek an agreement with the Transport and General Workers' Union providing for a five-day week for porters in the market. This five-day week should be a Monday to Friday week or a Tuesday to Saturday week according as the Monday or Saturday trade of the market concerned was the more important. The agreement should also provide for overtime work, at the discretion of the employer, on the market day—the Saturday or the Monday—not within the basic five-day week. In our view it should not be impossible, given goodwill on both sides, to negotiate agreements on these lines.

80. We recognise that special rates of pay for overtime work would have to be negotiated and that it might consequently be necessary for the employers to introduce higher portage charges, or higher commission charges, in respect of sales on the days when nothing but overtime was worked. We do not, however, consider this to be a fatal objection. It seems to us legitimate that the porters should be compensated for having to work on days outside a basic five-day week, and neither unreasonable nor impracticable that any resulting higher cost should be borne by those who make use of the market's facilities on those days. We think it likely that the effect of such an arrangement would be to ensure that the market concerned opened on the sixth day only when there was a genuine and strong demand for its opening ; and we think it right that this should be so.

81. Although we consider that the solution we have suggested best meets the various conditions we have postulated for a satisfactory settlement, we should not wish to be taken as ruling out any alternative which effectively took into account the legitimate interests of all concerned. For example, we have considered the suggestion of a rota system of portage to operate on Saturday mornings. We recognise that given the present system of market organisation and the high proportion of tenants who employ only one porter a rota system might be difficult to operate ; but it may be that the apparent difficulties

could be overcome and we think that it should be examined afresh by the parties. Nothing that we have heard in evidence has persuaded us that, given goodwill on both sides, a settlement which meets the legitimate interests of all concerned cannot be negotiated.

82. Finally, we would wish to express our great appreciation of the services of our Joint Secretaries, Mr. P. L. P. Davies of the Ministry of Labour and Mr. B. D. Hayes of the Ministry of Agriculture, Fisheries and Food, and of their assistant Miss J. M. H. Wood.

D. T. JACK (*Chairman*)

L. E. KENYON

LEWIS WRIGHT

P. L. P. DAVIES } (*Joint Secretaries*)
B. D. HAYES }

22nd July, 1964.

APPENDIX

EVIDENCE SUBMITTED TO THE COMMITTEE

1. We heard oral evidence from the following organisations and persons :—
The Transport and General Workers' Union

The Tenants' Associations at Spitalfields, Borough, Stratford, Brentford,
King's Cross and Covent Garden Markets

The National Farmers' Union

The Retail Fruit Trade Federation

The National Federation of Fruit and Potato Trades

The London and Provincial Fruit Buyers and Merchants Association

Mr. J. R. Heyes, Director of W. Heyes and Son (Brentford) Ltd., (wholesale
fruit and vegetable merchants)

Mr. J. L. Williams, Managing Director of the Williams Group
(fruit and vegetable importers and salesmen)

2. We also received evidence in writing from the following organisations, in
addition to those mentioned above :—

The British Flower Industry Association

The Supermarket Association